## Message Text

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ACTION EA-09

INFO OCT-01 EUR-12 IO-13 ISO-00 AID-05 CIAE-00 COME-00

EB-07 FRB-01 INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04

OPIC-06 SP-02 CIEP-02 LAB-04 SIL-01 OMB-01 PA-02

PRS-01 /093 W

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R 130659Z JUL 76

FM AMCONSUL MELBOURNE

TO SECSTATE WASHDC 3507

INFO AMEMBASSY CANBERRA

AMCONSUL SYDNEY

AMCONSUL BRISBANE

AMCONSUL PERTH

AMEMBASSY WELLINGTON

AMEMBASSY PORT MORESBY

CINCPAC

AMEMBASSY LONDON

USMISSION GENEVA

UNCLAS MELBOURNE 1273

CINCPAC FOR POLAD

E O 11652 NA

TAGS ELAB, AS

SUBJ: MEDIBANK STRIKE IDENTIFIES NOT "WHO GOVERNS AUSTRALIA" BUT WHO PROVIDES PRINCIPAL POLITICAL OPPOSITION TO FRASER GOVT.

REF MELBOURNE 1226

1. TRADE UNION MOVEMENT (INCLUDING ELEMENTS OF RIGHT AND CENTER AS WELL AS LEFT) DEMONSTRATED VIA WIDELY-BUT BY NO MEANS FULLY-SUPPORTED 24-HOUR NATIONWIDE STRIKE JULY 12 THAT IT HAS AMPLE POWER (WHEN IT DECIDES TO MOBILIZE IT IN FAVORABLE PARTISAN CIRCUMSTANCES) TO RESORT TO MASSIVE INDUSTRIAL ACTION IN SUPPORT OF EFFORTS UNCLASSIFIED

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TO

ACHIEVE MAJOR POLITICAL ENDS. STRIKE WHICH WAS MOST COMPLETE AND EFFECTIVE IN AREAS OF HEAVEY INDUSTRY AND PUBLIC TRANSPORT WAS ESPECIALLY

SIGNIFICANT BECAUSE IT REPRESENTEE FIRST TIME TRADE UNION MOVEMENT HAD EVER AUTHORIZED NATIONAL "POLITICAL" GENERAL STRIKE.

- 2. REPRESENTATIVES OF EMPLOYER ORGANISATIONS WHO JOINED GOVT OFFICIALS IN CHARACTERISING STRIKE AS "EXERCISE IN FUTILITY" (PRESUMABLY BECAUSE IT DID NOT FORCE IMMEDIATE GOVT BACKDOWN ON MEDIBANK PROPOSALS) HAVE ESTIMATED THAT ECONOMIC LOSS TO COUNTRY OF STRIKE WAS APPROXIMATELY \$100 MILLION WAGES AND \$500 MILLION IN PRODUCTION IN SPITE OF FACT LARGE NUMBER OF WHITE COLLAR AND COMMERICAL WORKERS REPORTED FOR WORK AS USUAL.
- 3. WHETHER OR NOT STRIKE WAS "SUCCESS" FROM MAINSTREAM TRADE UNION POINT OF VIEW, HOWEVER, WILL DEPEND ON EXTENT TO WHICH IT PROMPTS GOVT TO RESUME MEANINGFUL DISCUSSIONS WITH ACTU PRESIDENT HAWKE AND OTHER RESPONSIBLE LEADERS ON MEDIBANK AND OTHER BASIC ISSUES. IN VIEW OF FACT SPECIAL MEETING OF ACTU AFFILIATES IN SYDNEY JULY 5-6 ENDORSED HAWKE'S CALL FOR WAGE RESTRAINT IN COOPERATION WITH GOVT AS MEANS OF HELPING TO RESOLVE COUNTRY'S ECONOMIC PROBLEM, PERHAPS IT IS NOT TOO MUCH TO EXPECT THAT TWO SIDES WILL SOON SEE ADVANTAGES OF RESUMING HIGH-LEVEL PRE-BUDGET DISCUSSIONS (AS ALTERNATIVE TO CONTINUING INDUSTRIAL ACTION).
- 4. WITH OPPOSITION LEADER WHITLAM, DEPUTY LEADER UREN AND OTHERS TRAVELLING ABOARD TASK OF REPLYING TO PRIME MINISTER FRASER'S BRIEF PRE-STRIKE TV DEFENSE OF GOVT'S MEDIBANK PROPOSALS FELL TO SENATOR WRIEDT. UNFORTUNATELY, HOWEVER, NEITHER INTERVENTION COST MUCH IF ANY ADDITIONAL LIGHT ON HIGHLY CONTROVERSIAL, BUT POORLY-UNDERSTOOD SUBAECT. MODEST ROLE WHICH SENATOR WRIEDT AND HIS COLLEAGUES IN PARLIAMENTARY OPPOSITION HAVE PLAYED OF LATE IN EFFORTS TO COUNTER MORE CONTROVERSIAL POLICIES OF FRASER GOVT HAS DRAMATIZED VERY CONSIDERABLE EXTENT TO WHICH TRADE UNION MOVEMENT HAS MOVED INTO VACUUM TO PLAY ROLE OF DEFACTO POLITICAL OPPOSITION. BRAND

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## Message Attributes

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Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Page Count: 2

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Review Comment: n/a Review Content Flags: Review Date: 15 MAR 2004

**Review Event:** 

Review Exemptions: n/a
Review History: RELEASED <15 MAR 2004 by ThomasVJ>; APPROVED <23 SEP 2004 by schaefaj>

**Review Markings:** 

Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MÁY 2006

**Review Media Identifier:** Review Referrals: n/a Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

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Subject: MEDIBANK STRIKE IDENTIFIES NOT "WHO GOVERNS AUSTRALIA" BUT WHO PROVIDES PRINCIPAL POLITICAL OPPOSITION TO

TAGS: ELAB, AS, MEDIBANK To: STATE

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